IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

THURSDAY, THE EIGHTEENTH DAY OF NOVEMBER
TWO THOUSAND AND FOUR

PRESENT

THE HON'BLE MR JUSTICE A.GOPAL REDDY

-

WRIT PETITION NO : 12704 of 2004

Between:

K. Satti Reddy S/o K. Venkatram Reddy
R/o Plot No. 68, Sainath Colony, Vanasthalipuram, Hyderabad

..... PETITIONER

AND

1 Union of India, rep by General Manager, South Central Railways Rail Nilayam,Secunderabad
2 Chief General Engineer, South Central Railway, Head Quarters Office (Works) Rail Nilayam, Secunderabad
3 Senior Divisional Engineer (south), South Central Railway (BG) Secunderabad.

.....RESPONDENT(S)

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court will be pleased to issue a Writ or order or direction more particularly one in the nature of Writ of Mandamus declaring the action of the respondent in issuing the letter dt 25/6/2004 of deduction of the seigniorage charges from the existing bills of the petitioner in respect of agreement No. 11/S/2004 dt 1/5/2004 and No. 17/S/04 dt 28/6/2004 as illegal and arbitrary and consequently direct not to make deductions from the bills of the petitioner pursuant to the letter dt 25/6/2004 by 2nd respondent.

Counsel for the Petitioner:MR.N.RAJESWAR RAO

Counsel for the Respondents: MR.G.S.SANGHI, Standing Counsel for Railways

The Court at the stage of admission made the following ORDER:

Learned counsel for the petitioner fairly concedes that even against the illegal recovery made by the railways, the petitioner can as well avail the alternative remedy of invoking arbitration clause. It is also stated by him that pending the writ petition, respondents had recovered certain due amounts towards seigniorage charges.

In view of the same, leave and liberty is granted to the petitioner to invoke the arbitration clause, if aggrieved, stating that such recoveries are not permissible from the bills payable to the petitioner.

The writ petition is accordingly dismissed. No costs.

18th NOVEMBER, 2004.

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To

1 The General Manager, Union of India, South Central Railways Rail Nilayam,Secunderabad.
2 The Chief General Engineer, South Central Railway, Head Quarters Office (Works) Rail Nilayam, Secunderabad.
3 The Senior Divisional Engineer (south), South Central Railway (BG) Secunderabad.

4 Two CD copies.